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*Where Values Make The Difference*

**MEMORANDUM Transportation & Development Dept. - Memo No. RE15-060**

**DATE:** DECEMBER 11, 2014

**TO:** MAYOR AND COUNCIL

**THRU:** RICH DLUGAS, CITY MANAGER *RD*  
MARSHA REED, ASSISTANT CITY MANAGER *MR*  
R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR *RJZ*

**FROM:** ERICH KUNTZE, REAL ESTATE COORDINATOR *HKY ER*

**SUBJECT:** RESOLUTION NO. 4823 GRANTING THE AUTHORITY TO PURCHASE A VACANT PARCEL LOCATED AT 99 S. HAMILTON STREET, CHANDLER, ARIZONA, FOR THE APPRAISED VALUE OF \$103,000, PLUS CLOSING COSTS OF APPROXIMATELY \$2,000, GRANTING AUTHORITY TO TRANSFER THE FUNDS FROM FUND 240 GRANT CONTINGENCY TO FUND 236 PROCEEDS REINVESTMENT, AND FURTHER AUTHORIZING THE CITY'S REAL ESTATE COORDINATOR TO SIGN THE PURCHASE AGREEMENT AND OTHER DOCUMENTS NECESSARY TO COMPLETE THE ACQUISITION

RECOMMENDATION: Staff recommends City Council pass and adopt Resolution No. 4823 granting the authority to purchase a vacant parcel located at 99 S. Hamilton Street, Chandler, Arizona, for the appraised value of \$103,000, plus closing costs of approximately \$2,000, granting authority to transfer the funds from fund 240 Grant Contingency to fund 236 Proceeds Reinvestment, and further authorizing the City's Real Estate Coordinator to sign the purchase agreement and other documents necessary to complete the acquisition.

BACKGROUND/DISCUSSION: City Staff recently entered into an agreement to purchase a property for the future Washington Street alignment. As a part of the negotiations to acquire the alignment parcel, the owner strongly encouraged the City to consider purchasing another vacant parcel he owned. The City's Housing and Redevelopment Division has been interested in this parcel for several years due to its location which abuts property the Housing and Redevelopment Division currently owns. City Staff have been able to reach an agreement with the property owner to purchase the parcel for the appraised value of \$103,000, plus closing costs of approximately \$2,000.

The 99 S. Hamilton Street parcel is adjacent to another Housing and Redevelopment Division-owned parcel which has limited use because it is encumbered with an access easement subservient to the subject parcel. The Housing and Redevelopment Division believes that investing in this parcel will make both parcels more valuable. It will also help ensure the overall condition of the remnant property for the short term and will eventually become an asset that should benefit the neighborhood and serve as an important affordable housing resource in the future.

FINANCIAL IMPLICATIONS: The City's Housing and Redevelopment Division has specific non-federal funding designated for the support of sustaining, improving, and expanding affordable housing projects within the City of Chandler. The Housing and Redevelopment Division is requesting permission to transfer \$105,000 in budget authority from fund 240 Grant Contingency to fund 236 Proceeds Reinvestment if Resolution No. 4823 is adopted.

Fund Source:

<u>Account</u>	<u>Fund Name</u>	<u>Program Name</u>	<u>Amount</u>
236.4650.6210	Proceeds Reinvestment	Other Business -Nonfederal	\$105,000

PROPOSED MOTION: Staff recommends City Council pass and adopt Resolution No. 4823 granting the authority to purchase a vacant parcel located at 99 S. Hamilton Street, Chandler, Arizona, for the appraised value of \$103,000, plus closing costs of approximately \$2,000, granting authority to transfer the funds from fund 240 Grant Contingency to fund 236 Proceeds Reinvestment, and further authorizing the City's Real Estate Coordinator to sign the purchase agreement and other documents necessary to complete the acquisition.

Attachments: Resolution No. 4823  
Location/Site Map

**RESOLUTION NO. 4823**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, MARICOPA COUNTY, ARIZONA, GRANTING THE AUTHORITY TO PURCHASE A VACANT PARCEL LOCATED AT 99 S. HAMILTON STREET, CHANDLER, ARIZONA, FOR THE APPRAISED VALUE OF \$103,000, PLUS CLOSING COSTS OF APPROXIMATELY \$2,000, GRANTING AUTHORITY TO TRANSFER THE FUNDS FROM FUND 240 GRANT CONTINGENCY TO FUND 236 PROCEEDS REINVESTMENT, AND FURTHER AUTHORIZING THE CITY'S REAL ESTATE COORDINATOR TO SIGN THE PURCHASE AGREEMENT AND OTHER DOCUMENTS NECESSARY TO COMPLETE THE ACQUISITION.

WHEREAS, the City has negotiated the acquisition of a vacant parcel of land located at 99 S. Hamilton Street, Chandler, Arizona at its appraised value of \$103,000, and:

WHEREAS, the City of Chandler Housing and Redevelopment Division has funding designated for the support of sustaining, improving and expanding affordable housing projects within the City; and

WHEREAS, investing in property that abuts existing affordable housing property that is managed by the Housing and Redevelopment Division has an economic and managerial benefit; and

WHEREAS, the Housing and Redevelopment Division believes that investing in this property for future affordable housing is a worthy initiative and will benefit the neighborhood and serve an important public purpose.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Maricopa County, Arizona, as follows:

Section 1. It is hereby determined that the acquisition of the vacant parcel located at 99 S. Hamilton Street, Chandler, Arizona, as described in Exhibit "A" is for a public and necessary purpose, and is in the best interest of the citizens of the City of Chandler.

Section 2. The City is authorized and directed to purchase said real property for an amount equal to the fair market value of \$103,000 as determined by appraisal, plus closing costs of approximately \$2,000. The purchase agreement and supporting documents shall be in a form approved by the Chandler City Attorney.

Section 3. Subject to Section 2 above, the City's Real Estate Coordinator is authorized to execute, deliver, and deposit into escrow the approved purchase agreement, along with all other documents and instructions necessary to consummate the purchase of said real property.

Section 4. Authorize a budget transfer within the Housing and Redevelopment Division FY 2013 – 2014 budget from fund 240 Grant Contingency to fund 236 Proceeds Reinvestment to facilitate funding the land acquisition purchase.

PASSED AND ADOPTED by the City Council of the City of Chandler, Maricopa County, Arizona, this \_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4823 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the \_\_\_ day of \_\_\_\_\_, 2014, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

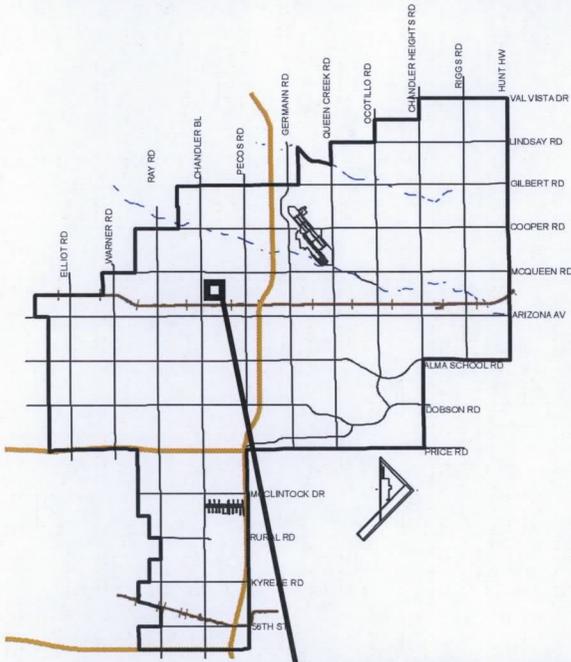
APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

GAB



# GRANTING THE AUTHORITY TO PURCHASE A VACANT PARCEL LOCATED AT 99 S. HAMILTON ST.



**MEMO NO. RE15-060**

**RESOLUTION NO. 4823**

- EASEMENT FOR ROADWAY PURPOSES
- VACANT PARCEL TO BE PURCHASED
- PUBLIC HOUSING PROPERTY

